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It must be pointed out that the reexamination of our economy and the reallocation and reduction of investments is proceeding exceptionally slowly. It often happens that the reduction of an investment barely exceeds the sum which the ministry concerned would be unable to spend in any case because of shortage of material or capacity.

There has been a certain amount of resistance to carrying out the resolutions of the Central Committee on both state and economic levels. There has been resistance in the National Planning Office, the Ministry of Metallurgy and Machine Industry, and the Ministry of Heavy Industry, where during the past 6 years the comrades have become accustomed to having the plans augmented, often even in midyear, and now are perplexed by their new tasks. There has been reluctance and opposition within the party, also; for example, actually in the central administration in the departments of planning and finance. Vigorous steps must be taken to correct such attitudes. ... When a leading comrade carries out important government resolutions in a constrained, unconvinced manner, or actually rejects these resolutions, his behavior does not escape the notice of his comrades, of the simple workers, or of the enemy.

Let every member of the party be aware of the fact that there has been a basic change in our economic policy and its trend. Therefore, every comrade must study the new laws and resolutions and must realize that our whole future and development depend on the proper implementation of these laws and resolutions.

It is a well known fact that small, independent peasant farming still far exceeds the socialist sector in our agriculture. ... Our agricultural development to date shows that the small independent peasant is indispensable to our economy and will be of crucial importance for many years to come. ... He must be provided with everything which will help him to produce more. ... His desire to produce more must be stimulated by making available to him in the village the kind of manufactured goods which he wants and which have been in short supply in the past.

Up to the middle of October, 90 percent of the reserve land, amounting to approximately 800,000 cadastral yokes (of which 643,000 cadastral yokes are arable), were leased for a 5-year period. Independent peasants leased 430,000 cadastral yokes and requested the return of 60,000 cadastral yokes as their own property.

Although many peasants with medium holdings have left the producers cooperatives, it is plain that in our present condition a peasant with medium holdings who is thoroughly convinced of the advantages of cooperative farming is a

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greater support than the poor peasant who often still opposes the producers co-operatives. ... The good will of the peasant having medium holdings is highly important from an economic standpoint also; therefore, we must continue our alliance with him no matter what his attitude toward producers cooperatives may be.

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